

ORDINANCE NO. 2019-18

AN ORDINANCE AMENDING SECTIONS 159.03 AND 159.05 OF CHAPTER 159, "DIVISION OF PURCHASING," TO ESTABLISH NEW PURSHASING PROCEDURES, AND DECLARING AN EMERGENCY.

WHEREAS, the Finance Director has reviewed the City's purchasing procedures and prepared a new purchasing policy which is consistent with policies used in other communities and promotes the efficient operation of the City and its various departments; and

WHEREAS, the Finance Committee of Council has reviewed the new purchasing policy and supports the new procedures; and

WHEREAS, the new purchasing policy requires certain amendments to Section 159.03, "Formal bidding requirements," and Section 159.05, "Normal purchase procedure," of the Codified Ordinances of the City of Huron, Ohio; and

WHEREAS, this Council believes that the amendments to the Codified Ordinances of the City of Huron set forth in this Ordinance promote the public health, saety and welfare and support the efficient operation of the City and its various departments

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HURON, OHIO, THAT:

**SECTION 1.** Section 159.03, "Formal Bidding Requirements," of Chapter 159, "Division of Purchasing" of the Codified Ordinances of the City of Huron is hereby amended to read as follows:

**"159.03 FORMAL BIDDING REQUIREMENTS.**

(a) ~~Purchases of supplies, materials and equipment or contracts for work to be performed on municipal projects estimated to cost in excess of twenty five thousand dollars (\$25,000) shall be made pursuant to formal advertising, bidding and public opening and tabulation as required by the general laws of the State and in accordance with Ohio R.C. 735.05 as amended~~ The City shall procure expenditures in accordance with the bidding requirements set forth in Ohio R.C. 735.05, except as otherwise provided in this Chapter or by separate ordinance of Council.

(b) ~~In cases where the supplies, materials and/or equipment are to be made under the State of Ohio Purchasing Plan, no bidding shall be required as it is understood the State has already obtained the lowest responsive and responsible bid.~~ In all circumstances, the Council reserves the right to reject any and all bids and to waive informalities in bidding.

(c) ~~Purchase of supplies, materials and equipment or contracts for work to be performed on municipal projects estimated to cost in excess of ten thousand dollars (\$10,000) but less than twenty five thousand dollars (\$25,000) may be required to be made pursuant to formal advertising, bidding and public opening and tabulation, provided Council, by formal motion, directs the Purchasing Agent to proceed in such a manner.~~ In all cases of expenditures exceeding the bidding threshold set forth in Ohio R.C. 735.05, the requirements of division

(a) of this Section may be waived by Council if the expenditure falls within one of the following categories. In all cases, the purchase shall be approved by Council.

- (1) Purchase from the State under Ohio R.C. 125.04 or 5513.01.
- (2) Purchase from a governmental body.
- (3) Purchase of professional service.
- (4) Emergency purchases.
- (5) Purchases incapable of being competitively bid, such as sole source providers.
- (6) Purchases from another supplier upon equivalent terms, conditions, and specifications but a lower price than is offered by the State under Ohio R.C. 124.04(c).

(d) In cases of public disaster, declared by Council resolution adopted by unanimous vote of those members present, provided that a quorum is present, any purchase may be made in the open market.

(e) The City may prepare "blanket" certificates in accordance with ORC Section 5705.41, not to exceed current appropriations and \$100,000 for each "blanket" certificate."

**SECTION 2.** Section 159.03, "Formal Bidding Requirements," of Chapter 159, "Division of Purchasing" of the Codified Ordinances of the City of Huron, Ohio as it existed prior to the effective date of this Ordinance is hereby repealed.

**SECTION 3.** Section 159.05, "Normal Purchase Procedure," of Chapter 159, "Division of Purchasing" of the Codified Ordinances of the City of Huron is hereby amended to read as follows:

**"159.05 NORMAL PURCHASE PROCEDURE.**

All purchases, other than emergency purchases or ~~those requiring prior City Council approval~~ as otherwise provided in Section 159.03, shall be made in the following manner:

- (a) The City may expend up to twenty-five thousand dollars (\$25,000) with the approval of the City Manager or his designee, and the Director of Finance, to the extent there are appropriations therefor, for any public improvement, or the purchase of equipment, materials, or supplies, or to obtain professional or personal services or for any other lawful purpose. The City Manager may designate approval to the Director of Finance for purchases made up to three thousand dollars (\$3,000.00). These purchases must be encumbered, and a purchase order issued prior to receipt of services, materials or supplies and disbursement of funds.
- (b) The City may expend between twenty-five thousand dollars (\$25,000) and up to fifty thousand dollars (\$50,000) with the approval of the City Manager, or his designee, and the Director of Finance, to the extent there are current appropriations therefor, upon the prior approval of a majority of Council, which approval may be given by a motion and vote at any regular or special meeting of Council. Authorization provided by Council shall only be effective if all members of Council are provided a written explanation of the amount

and purpose of the proposed expenditure prior to said motion and vote. The City Manager or Purchasing Agent shall provide specifications to Council. Council may request the City Manager or department heads to attempt to obtain at least two quotations, as part of an informal bidding process. These purchases must be encumbered, and a purchase order issued prior to receipt of services, materials or supplies and disbursement of funds.

- (a ~~c~~) All requests for the purchase of materials, supplies, or services shall come from the department head involved.
- (b ~~d~~) Requests for materials, supplies or services shall be addressed to the Purchasing Agent on a requisition form to be provided by the Office of the ~~City Manager~~ Director of Finance, or electronically submitted through the Director of Finance's designated software. All requests shall ~~be in writing stating explicitly~~ state the items or services desired. At the ~~discretion of the Purchasing Agent, the department head, may be required to submit at least two independent quotations on such items or services desired. The signature of the Purchasing Agent on the requisition shall constitute his approval of the requisition.~~
- (e ~~e~~) All requisitions shall be electronically filed, approved electronically, and stored electronically in the Finance Department, which may be done electronically. In accordance with Section 6.12 of the Charter, purchases shall be made by written purchase order signed by the Purchasing Agent. Agreements for construction work shall be made by written contract. Agreements for personal services shall be made by written contract or appointment, signed by the City Manager, or his designee, acting as Purchasing Agent for the City.
- (d ~~f~~) Purchase orders shall be on printed forms as prescribed by the City Manager and the Director of Finance. They shall bear consecutive numbers as to the date of issue.
- (e ~~g~~) No purchase order or contract shall be valid as an obligation of the City unless it bears a certificate of the Director of Finance that the estimated amount thereof has been entered as an encumbrance in the City accounts against an allotment based on a valid appropriation.
- (f ~~h~~) After the approval of requisitions and after the certificate of the Director of Finance has been signed, which may be electronically, stating that the funds are available for such purchase from the proper fund, the original purchase orders shall be issued to the vendor, supplier, or person rendering the required service.
- (g ~~i~~) A second (carbon) copy of every purchase order shall be immediately posted to the encumbrance ledger and such sum shall be subtracted from the respective appropriate account. All second (carbon) copies or purchase orders shall be kept in numerical filing order in the custody of the Director of Finance, unless retained electronically.
- (h ~~j~~) All vouchers and warrants for the disbursement of City funds shall bear the purchase order number authorizing such expenditure when so applicable. If there is a difference in the quoted purchase order price and

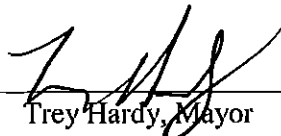
the invoice or final price, such difference shall be reconciled immediately with the encumbrance ledger, with such explanation within the voucher as to difference in price as the Director of Finance or City Manager may require or deem advisable.

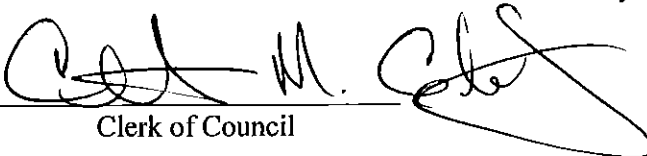
- (i k) The City Manager, together with the Director of Finance, shall sign all warrants, vouchers and checks or any contract involving the disbursement of City funds, which may be done electronically.”

**SECTION 4.** That Section 159.04, “Normal Purchase Procedure,” of Chapter 159, “Division of Purchasing” of the Codified Ordinances of the City of Huron, Ohio as it existed prior to the effective date of this Ordinance is hereby repealed.

**SECTION 5.** That this Council hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of the Council and that all deliberations of this Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including O.R.C. § 121.22

**SECTION 6.** That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and general welfare of the residents and for the further reason that this Ordinance shall become immediately effective so that the City can make necessary purchases without competitive bidding and consistent with the bidding threshold in state law, utilize exceptions to competitive bidding when approved by Council, and update the City’s purchasing procedures for the efficient operation of the City; **WHEREFORE** this Ordinance shall take effect immediately upon its adoption.

  
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Trey Hardy, Mayor

ATTEST:   
Clerk of Council

ADOPTED: 27 AUG 2019